

COMMISSION OF THE EUROPEAN COMMUNITIES

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TOWARDS A PLAN OF ACTION
TO COMAT WORLD HUNGER

(Commission communication to the Council)

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I. Introduction

The food situation of a large number of developing countries is worsening. Forty years ago, Asia, Africa and Latin America were exporters of foodstuffs, but today these continents are all importers. Over the last ten years their foreign purchases of cereals have doubled and the cost of those purchases has quadrupled. Certain countries are able to obtain supplies as a result of their exports of natural resources or manufactures. The poorest cannot always do this.

Poverty and a food shortfall go hand in hand. In the shortfall countries, the people suffering from malnutrition are the worst off, whether in the towns or in rural areas. Twenty years ago there were 300 million suffering from malnutrition. In 1975 there were 450 million. How many will there be in 1985 or in 1990 ?

Along with new or renewed outbreaks of war, hunger is doubtless the most serious of the disorders affecting the organization of the world today. In our own countries, increasingly wide sectors of opinion are judging it to be unacceptable. Despite the crisis and concern about the future, this groundswell of opinion could be mobilized to sustain a major aid effort provided that Europe proposes a convincing strategy to combat hunger.

The Community and the Member States are being challenged increasingly often on this subject : there was the debate in the European Parliament on hunger in the world which resulted in a virtually unanimous expression of concern and in recommendations from the elected representatives of Europe; there are the positions adopted by the national Parliaments, the appeals from eminent figures throughout the world, including Nobel Prize winners, and from humanitarian, religious, trade union and other organizations; there are also

the many volunteers working for non-governmental organizations.

Admittedly, many developing countries have made remarkable progress in recent years, considerable resources have been put to use under national or Community development policies, and significant results have been obtained in a number of cases. However, despite these undeniable successes, how many countries are still unable to make any real progress towards greater self-sufficiency in foodstuffs; how many people are still at the mercy of vagaries of the weather, an internal or external conflict, or a financial imbalance which prevents them from securing or being assured of the means to survive ?

In the light of this situation an immediate reaction is necessary. One cannot await for possible progress in the North/South dialogue as a whole. The initiative announced by the Italian Government at the Ottawa Summit, the emphasis placed on food problems by the recent Paris Conference, the appeal by Mr. Colombo within the Council of Foreign Affairs Ministers for action by the Community itself and the support given to this suggestion by the delegations of the other Member States bear witness to a growing resolve to refuse to accept the present situation.

That resolve must be translated into action - hence the following proposals.

Obviously this communication does not attempt to treat in an exhaustive manner all the problems posed by the alarming evolution of the food situation in developing countries. Its essential purpose is to allow the Community to commit itself to a first series of actions which could be implemented as quickly as possible.

Nor does this communication tackle the various aspects of the question of what contribution a reform of the Common Agricultural Policy could make to the world food system by, in particular, seeking better complementarity with developing countries' agriculture.

II. Proposals for a plan of action to combat world hunger

The plan of action which the Commission is proposing involves both short-term measures designed to take effect immediately and longer-term operations aimed at tackling structural causes of the food problem in the poor countries. The plan gives priority to increasing both the production of the shortfall countries and also their food security.

This plan is not a comprehensive one, however; it cannot set out to tackle all the quantitative and qualitative facets of the campaign against world hunger. The Commission is convinced, however, that implementation of the plan by the Community, in association with such partners - whether rich or poor - as wish to join it in this venture, could constitute a practical expression of the refusal of our society to passively accept the inevitability of famine - indeed, it could begin a significant reversal of the trend.

The plan of action is based on the following four types of operation :

1. A special food aid operation to mitigate the consequences of the present shortfalls in the LLDCs and make available to the International Emergency Reserve the resources which it still lacks.
2. Joint comprehensive action in support of national policies to develop the agricultural sector implemented by developing countries that wish to place their efforts and those of aid donors within a coherent food strategy.
3. Operations with a specific theme covering regional groups of countries having to face difficulties of the same kind in combating the deterioration of their natural production conditions and developing their potential resources.
4. Measures to increase the external food security of the developing countries.

1. A special food aid operation

In the light of the proceedings and conclusions of the Paris Conference on the Least Developed Countries, and to enable the Community to demonstrate its determination to take action to help countries whose very survival and life-force is threatened by hunger and malnutrition, the Commission proposes to make a special food aid allocation to the least developed countries⁽¹⁾ under an exceptional programme costing 40 million ECU.

This action will enable about 230.000 T. of cereals (or their equivalent) to be mobilized. Since 125.000 to 150.000 T. of cereals is sufficient to cover the basic consumption needs of one million "under-nourished" persons for one year, the impact of such a move can be readily appreciated.

The Commission proposes to make available to the International Emergency Food Reserve the quantities necessary to achieve the objective of 500.000 T. that has been fixed since 1977 but never realised. The contributions announced at present being of the order of 400.000 T., the Commission estimates that the Community should supply to the Reserve an additional allocation of about 100.000 T.,

in favour of the least developed countries. This Reserve is in fact the only instrument of the international Community so far set up to guarantee collectively world food security. That the necessary quantities should at last be put at its disposal by the Community's own action would have a remarkable political significance: it would demonstrate the Community's resolve, in liaison with other countries, to provide the necessary immediate aid on the scale required; also, it would strengthen the Community's voice when endeavouring to mobilize the other international support that will be needed for subsequent replenishment of the reserve and, above all, for the implementation of the developing countries' food development policies.

The Commission proposes moreover that the balance of the quantities made available under this exceptional food aid allocation should go to the least developed countries with the biggest shortfalls, for use in nutritional programmes or development operations.

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(1) This proposal is the subject of a separate document (COM(81) 546 fin.)

2. Action to devise and implement food strategies

Past experience of agricultural and rural development aid, and especially aid to increase food-crop production, has progressively led many developing countries and virtually all donor countries to the conclusion that any specific action, any project, any aid in cash or in kind has a real chance of producing lasting effects only if it forms an integral part of an overall policy, of a comprehensive strategy.

The problems to be resolved are not only of a technical nature, but involve all the aspects of a social system. Whether an agricultural development operation will have long-term effects continuing after the withdrawal of external assistance or will turn out to be a failure depends on whether or not it fits in with the way of thinking or system of social organization of the local producers, on whether or not it makes allowance for their personal, family or individual farms constraints, on whether the local producers find in the operation possibilities for improving their economic and social situation, and on whether or not they are motivated to produce more to live better in their rural environment.

The lessons drawn from experience are causing an increasing number of developing countries to adopt an overall approach to the development of food production and to equip themselves as a result with national strategies for the food sector ⁽¹⁾. The need for these strategies has been agreed over the past years, following pressure from the World Food Council in particular ⁽²⁾.

This trend is important since it reflects both a growing awareness and a new resolve. It is on these foundations that the Commission wishes to base the second aspect of the overall operation it is proposing, namely greater and better-coordinated mobilization of aid donors and international organizations to back up the countries that are following this path.

(1) To take only the example of the ACP countries, 22 countries, mainly in Africa, have begun the process of devising and implementing such strategies.

(2) In its resolution of 18/11/80, the Council declared the Community's willingness to help countries which committed themselves to a national food strategy.

To this end, the first thing to be done is to help countries that so request to finalize their strategies. In the context of the Community's own operations, the Commission has been presented with requests for such assistance and intends to give a favourable response. A number of Member States, acting alone or with other countries or institutions, have already undertaken to carry out such work or are involved in talks to this end. It is important that the readiness of all concerned should be confirmed in this matter.

A further step has to be taken, however, - namely practical application of the food strategies. The Community and the Member States must adopt for this purpose an effective operational structure.

In practical terms, the Commission proposes that for each country that has expressed the desire to begin implementation of a food strategy a "task force" should be set up grouping together, alongside the country in question, those of the Member States that are prepared to help with its implementation.

In general it will be advisable to assure the coordination of this type of action in the Community framework in order to facilitate and simplify the relations with the developing country concerned. This way of proceeding is all the more necessary as least developed countries with weak administrative structures are involved. The Community coordination body would work in close association with the country or the institution that sponsored the preparation of the food strategy in order to help the country concerned to provide the follow up. The task force would be open to other donor countries having the same objectives and wishing to follow the same approach ⁽¹⁾, and to specialised institutions, with a view to acting as a catalyst for aid commitments (financial, technical or food) to secure greater integration of the various types of aid, ^{and/} to coordinate the operations of the various sources. Within this framework, it is essential that regular objective and independent assessments be made of progress. Such assessments should examine the impact down to grassroots level of actions undertaken, including food and nutritional appraisals among the most underprivileged sections of the population.

If the Council were in agreement, an operation along these lines could be undertaken very rapidly. Initially, it would be concerned with the three or four least developed countries that have made the greatest progress in the preparation of their strategies. It would then be progressively extended to other countries.

(1) Some industrialised countries have since expressed the desire for a possible coordination of their actions with those of the Community. This would provide a framework within which to deal with this preoccupation.

Although efforts to implement strategies at national level must certainly be supported, the need to look for ways of incorporating this type of action in a wider coherent plan, in particular at regional level,⁽¹⁾ must not be overlooked.

The Commission proposes that consultations should be initiated to this end within the next weeks, in the Community context and in liaison with developing countries that might be interested, to identify those countries that could be supported in this way and to estimate the scale of Community and bilateral resources that could be mobilized.

As far as the Community means are concerned - since the choice of the countries does not have to be limited in principle to the least developed of the ACP group - it will be advisable to resort to the Community budget if the intervention concerns a non associated country; or to a possible adjustment of the indicative programme in the case of an ACP country. Moreover, in both cases multiannual food aid commitments would have to be considered as a means of supporting the overall strategy, whether they be used e.g. for building up reserve stocks or for assisting an internal price system modification etc.. Such use of food aid is perfectly in keeping with the notion that this instrument should be a transitory step aimed at the maximum self-sufficiency possible.

What end result should this exercise achieve ?

First of all, improved utilization of the resources available or mobilization of fresh resources to assist the countries with a food strategy.

Secondly, to strengthen, especially administratively, the capacity of countries to define and implement their strategy, thus allowing one of the constraints which weigh heavily on development efforts to be eased.

Finally, it should prompt the donor countries or bodies to enter their various operations in a sort of "comprehensive rural development and food security contract" concluded with the developing country concerned. Under such a contract, the following reciprocal commitments would be entered into :

- commitments on the part of the country assisted to adopt pursuant to the guidelines of the strategy, domestic measures designed to bring about its success; these could involve, depending on the circumstances, the reform of marketing and

(1) The complementarity of neighbouring countries, which already results in sometimes large movements of foodstuffs, must be taken into account in this area.

pricing policies, credit machinery, the land tenure system etc...or the development of storage facilities, of the transport system, or of other means of limiting post harvest losses (the latter reaching 25 % in certain countries for certain products). It is certain that coherence between these various factors must be considered as an element which is just as essential as recourse to one or other of these measures taken in isolation;

- commitments on the part of the donor countries to perform with the greatest possible consistency, given the constraints peculiar to each aid system, the various aspects of the operations they are prepared to undertake to help apply the above measures.

The main value of this comprehensive, contractual approach is twofold :

- At the conclusion of negotiations dealing with all aspects of the problem, it should make it possible to define as clearly as possible the conditions under which each of the operations undertaken would fit into the whole, whether these take the form of specific projects - but integrated in an overall policy - or of contributions towards the financing of programmes to which the donors could give their support;
- It must guarantee the country undertaking to revise its domestic policies - an exercise that is often difficult and always risky - the effective support of all the available types of aid, not only to bring to a successful conclusion the long-term operations but also to establish the necessary safety nets during the transition period.

This approach would also have the advantage of specifying the conditions under which the constituent parts of the contract - and thus the commitments of each contracting party - could be revised or questioned if the circumstances that prevailed during their negotiation were to change fundamentally.

The Community and Member States that so wish should jointly take this road as quickly as possible and progressively adapt their method of operation accordingly.

3. Regional operations

Side-by-side with the initiatives taken to support national food strategies regional operations should be considered. They would involve priorities in the safeguarding and development of the agricultural potential of the developing countries and would be regional because, by their very nature, they often extend beyond the context of a particular state. Such operations, because of their scale, also call for relatively expensive long-term measures requiring coordinated action by a number of donor countries or bodies, and financing facilities adapted to their nature.

The essential priorities include :

- the fight against erosion and desertification;
- more rational utilization of wood as a source of energy, and the reconstitution of wooded areas;
- action to increase the resources and research activities devoted to food crop farming in tropical regions;
- the fight against major scourges such as trypanosomiasis and onchocerciasis, the existence of which prevents any sustained agricultural development in the areas concerned.

These activities are not undertaken with the necessary rapidity and effectiveness. Progress must be made.

In some cases programmes exist for this and are already being implemented but they are capable of being expanded (e.g., the campaign against onchocerciasis being carried out under the auspices of the World Bank). In other cases programmes have been prepared but the necessary funds need to be allocated for them to be implemented (for instance certain FAO activities). In other cases overall programmes still need to be prepared.

It is not, however, possible at this stage to give details of the financial implications of the various possible operations, their true feasibility, the extent of any commitment by the different potential donors, notably the Community and the Member States, or to determine which options should be concentrated upon.

The consultations between donor countries suggested by Italy could provide the opportunity, with the assistance of the specialized institutions, to put the donor countries in the picture as to the priorities and the possibilities in this connection.

4. Community contribution to international action for strengthening the security of the developing countries' supplies

Pending the expected results of measures proposed earlier the deficit developing countries will have to continue to buy basic foodstuffs, notably cereals, on the international markets.

The negotiations conducted for the conclusion of the new international wheat agreement seem to be currently at a standstill even if discussions are continuing.

The result of this situation is that the developing countries, particularly the weakest, are to a very large extent subject to the uncertainties and whims of the world market for the external aspect of their food security.

Moreover, if the upward trend in world prices for these basic products is considered, the inescapable conclusion is that these countries are likely to find it increasingly difficult to secure the products needed to make good their production shortfalls.

Pending progress in the organization of the world market, ways and means must therefore be sought to lighten the burden of the food bill for these countries.

A first step in this direction was taken when the International Monetary Fund made provision, under its compensatory financing facility, for the establishment of a "food window" to help low-income and food-deficit countries to cope with payments disequilibria resulting from increased expenditure on cereals imports. It is still premature to try to make an assessment of how the system is working. Its implementation should, however, be monitored closely in order to be able to evaluate whether, despite the limits laid down for its application ⁽¹⁾, it can

(1) It is stipulated that a country which uses 100 % of its compensatory financing quota (for export earnings losses) ceases to be eligible under the food window for an amount greater than 25 % of that quota.

play a sufficiently effective role or whether consideration will have to be given to reviewing the conditions governing recourse to this "window".

Another line of action was proposed by the Executive Director of the World Food Council (WFC) : the establishment of an international food security reserve, to which the low-income countries could have recourse when the trend of the international market leads to excessive prices rises. Without concealing the economic, financial and technical difficulties involved in such a proposal or even the opposition in principle it may provoke among certain producer/exporter countries the Commission considers that it would be desirable to agree to examine it in detail in conjunction with the countries or bodies concerned. This is the kind of response, coordinated at Community level, which should be given to the WFC's Executive Director.

The Community must also, insofar as its own policies are concerned, look into the contribution it can make towards strengthening the stability and security of the developing countries' supplies. In its paper on the 30 May mandate and in its proposal on negotiating outline agreements on multiannual supply of agricultural products (COM (81) 429 final of 24/7/81) the Commission drew the Member States' attention to the contribution which the Community could make to world food security by giving a positive response - within limits fixed by the Community itself of course - to countries which wish to develop contractual relations with it for food supplies. The Community debate on this matter has barely started. The Community must realize that this is one of the components of the world food security system to which it has stated a number of times that it wishes to contribute. It must therefore provide itself with the means to do so.

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The plan set out above implies, in most of its aspects, better use of available resources, more determination in carrying them out and better coordination of actions at Community level as well as between the Community and other countries or organisations which are active in the field of food security in developing countries.

However, some of the recommended actions will require increased financial means if they are to be carried out on a sufficiently large scale.

The Commission therefore proposes to Member States - thus following logically the commitments entered into at the Paris Conference for transferring official development aid to the Least Developed Countries - that increased funds be provided for actions coming within the framework of this plan for combatting world hunger. This would fall within the context of the efforts to be made in order to achieve the 0,15 % in respect of the LLDCs which, for the Community as a whole, would correspond to an annual increase corresponding to 0,01 % of its GNP. By doing this, the Community would be making an essential contribution to the setting up of the substantial action programme in favour of the LLDC's to which it has subscribed. This would create a movement throughout the industrialised countries which even the most reticent would find hard to shy away from.

Conclusion

The Commission requests approval for the orientations and measures making up the main lines of the action plan, and in particular :

- to mobilize, in the framework of an exceptional programme of 40 MUC, a special gift of food aid intended for the Least Developed Countries and to allocate 100,000 T. of cereals from this gift to the International Emergency Food Reserve;
- to decide on the immediate implementation of joint actions for mobilizing and coordinating the support which the Community and the Member States intend to give to national food strategies;
- to accept the principle of financing thematic actions at regional level which are intended to safeguard the agricultural potential of developing countries and to help realise this potential;
- to continue the Community's efforts towards a more secure supply situation for developing countries, whether through their own resources or on an international level.
- to provide increased funds for actions coming within the framework of this plan for combatting world hunger. This would fall within the context of the efforts to be made in order to achieve the 0,15 % which, for the Community as a whole, could take the form of an annual increase corresponding to 0,01 % of its GNP.

As far as procedures are concerned, the Commission proposes that, after the necessary discussions and decisions at Community level, informal consultations be started between donor countries and the specialised international organisations (as well as, at the appropriate moment, with the interested developing countries) concerning the general approach or certain particular aspects contained in this plan.

If the Council adopts the guidelines and principles set out above it would be appropriate, within the framework of Community coordination, to begin immediately focussing on the implementation measures necessary for each type of operation, whether it be :

- actions for which the Community itself is competent (decisions concerning its trade policies, or its agricultural or development policies for example) or decisions which fall within the competence of the Member States, or
- actions resulting from arrangements agreed, or which will be agreed, within an international framework (such as the methods of reconstituting the International Emergency Reserve, the implementation of programmes resulting from the initiative of such-and-such international organisation, the negotiation of measures concerning world food security).

In this way the EEC, aware of the results of the two first development decades and noting the work of the World Conference on the LDC's, would decide to make better use of its contributions towards the fight to combat hunger in the world and to mobilize progressively additional resources. In so doing it would accomplish a far-reaching political act.